

LISKOW & LEWIS

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Richard W. Revels, Jr.
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October 27, 2006

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: Exposito Zone, Reservoir A
LAKE GERO FIELD
Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **HELIS OIL & GAS COMPANY, L.L.C.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Exposito Zone, Reservoir A, in the Lake Gero Field, Terrebonne Parish, Louisiana:

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Exposito Zone, Reservoir A, in the Lake Gero Field, Terrebonne Parish, Louisiana, said proposed unit designated EXPOSITO RA SUA, as shown on the plat attached hereto and made a part hereof.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
3. To provide that any wells drilled to the Exposito Zone, Reservoir A, within or outside of the unit created herein, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
4. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
5. To consider such others matters as may be pertinent.

The Exposito Zone, Reservoir A, in the Lake Gero Field, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 12,460 feet and 15,074 feet (electrical log

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measurements) in The Louisiana Land and Exploration Co., Inc. - LL&E - La Terre No. 1 Well, located in Section 82, Township 19 South, Range 17 East, Terrebonne Parish, Louisiana.

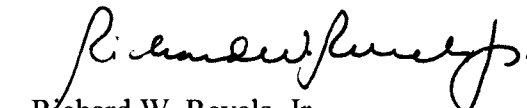
Pertinent data, including well logs, may be obtained **AT THE COST OF THE REQUESTING PARTY** from W. H. Robbins & Associates, L.L.C., 302 La Rue France, Lafayette, Louisiana 70508, Telephone Number (337) 232-5004.

Pursuant to the Rules of Procedure, pre-application notice was given; however, no request for the conference was received. Therefore, the conference tentatively scheduled for November 7, 2006, **WILL NOT BE HELD**.

Attached hereto and made a part hereof is a plat outlining the applicant's proposal, along with a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, the plat (being the same plat attached to the pre-application notice dated October 16, 2006) and the list of parties are being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the plat and/or the list of parties will be furnished to any party requesting a copy. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of \$755.00 made payable to the Office of Conservation submitted on behalf of the applicant representing the hearing application fee.

Very truly yours,


Richard W. Revels, Jr.

RWRjr/df
Attachments

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35402.0164

cc: Mr. Richard Hudson, Lafayette District Office of Conservation
cc: Interested Owners, Represented Parties, and Interested Parties

